

Message Text

LIMITED OFFICIAL USE

PAGE 01 WARSAW 01283 01 OF 02 201139 Z

12

ACTION EUR-25

INFO OCT-01 ADP-00 COME-00 AGR-20 EB-11 TRSE-00 OMB-01

CIAE-00 DODE-00 PM-09 H-02 INR-09 L-03 NSAE-00 NSC-10

PA-03 RSC-01 PRS-01 SS-14 USIA-12 XMB-07 VO-03 SCA-01

COA-02 T-03 FMC-04 CG-00 AID-20 RSR-01 /163 W

----- 098747

R 201059 Z MAR 73

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC 3095

INFO AMEMBASSY VIENNA

LIMITED OFFICIAL USE SECTION 1 OF 2 WARSAW 1283

E. O. 11652: N/ A

TAGS: ETRD, EGEN, PL, BCOM, ETRN

SUBJECT: MEETING WITH MINISTER OF FOREIGN TRADE

REF: WARSAW 0762

PASS TO COMMERCE AND USDA

1. DURING RECENT VISIT BY COMMERCE DEPUTY ASSISTANT SECRETARY STEVEN LAZARUS FOR MEETING OF WORKING GROUP ON BUSINESS FACILITIES OF JOINT TRADE COMMISSION, LAZARUS AND AMBASSADOR CALLED ON MINISTER OF FOREIGN TRADE TADEUSZ OLECHOWSKI ON MARCH 4. MAIN POINTS COVERED DURING CONVERSATION, WHICH DEVELOPED INTO HOUR- AND- TWENTY- MINUTE TOUR D' HORIZON OF U. S. - POLISH TRADE AND ECONOMIC RELATIONS, ARE SUMMARIZED AS FOLLOWS.

2. BUSINESS FACILITIES. MINISTER BEGAN CONVERSATION BY SAYING HE HAD " GREEN LIGHT" TO MOVE AHEAD RAPIDLY ON QUESTION OF IMPROVED BUSINESS FACILITIES FOR U. S. COMPANIES IN POLAND. AS LONG AS IT WOULD REMAIN WITHIN REASONABLE AND ECONOMIC BOUND S, AS MANY U. S. COMMERCIAL REPRESENTATIONS AS POSSIBLE COULD BE ESTABLISHED HERE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 WARSAW 01283 01 OF 02 201139 Z

ALTHOUGH THERE WOULD BE SOME TECHNICAL DIFFICULTIES, SUCH AS ADEQUATE OFFICE SPACE AND HOUSING, OLECHOWSKI STRESSED THERE WERE " NO POLITICAL OR COMMERCIAL OBSTACLES" TO THIS STEP. HE ALSO NOTED DECISION TO CONSTRUCT TRADE CENTER AS FIRST STEP IN DEALING WITH OFFICE SPACE PROBLEM, AND SAID NOTION OF U. S. FIRMS UNDERTAKING CONSTRUCTION OF OWN OFFICE SPACE IN WARSAW WAS INTERESTING AND REQUIRED FURTHER CONSIDERATION. LAZARUS SAID THAT AT POINT THEY HAD THEN REACHED IN WORKING GROUP DISCUSSIONS, HE HAD TWO POINTS OF CONCERN HE WISHED TO CALL TO MINISTER'S ATTENTION. FIRST WAS THAT IT WOULD BE VERY IMPORTANT TO HAVE SOME QUICK APPROVALS OF U. S. FIRMS' APPLICATIONS TO OPEN OFFICES IN POLAND. APPLICATIONS FROM SUCH COMPANIES AS DOW CHEMICAL, SINGER AND HEWLET T- PACKARD WERE ALREADY PENDING. SECONDLY, THERE WAS MATTER OF VISAS FOR BUSINESSMEN. LAZARUS NOTED PROGRESS MADE IN WORKING GROUP, AND SAID THERE STILL REMAINED PROBLEM OF THE FREQUENT BUSINESS VISITOR TO POLAND. WE PROPOSED THAT SUCH PERSONS WOULD RECEIVE SYMPATHETIC CONSIDERATION FOR MULTIPLE ENTRY VISAS, AND WE WOULD HOPE TO DO SAME FOR SUCH POLISH VISITORS TO U. S. FOLLOWING FURTHER DISCUSSION, IN WHICH MFT DEPARTMENT DIRECTOR STANISLAW STRUS ALSO TOOK PART, OLECHOWSKI SAID HE UNDERSTOOD THE VISA PROBLEM AND WOULD SEE THAT MFT SUPPORTED THE SOLUTION LAZARUS PROPOSED.

3. MARITIME AGREEMENT. OLECHOWSKI INDICATED THAT CONSIDERABLE TIME HAD PASSED SINCE THE NOVEMBER SESSION OF THE JOINT TRADE COMMISSION, AND SAID THAT THE MINISTER OF SHIPPING WAS GROWING RESTIVE ABOUT WHEN DISCUSSIONS WOULD GET UNDER WAY ON THE PROPOSED AGREEMENT ON PORT ACCESS AND OTHER MARITIME MATTERS. AMBASSADOR SAID THAT PART OF THE DIFFICULTY MAY STEM FROM QUESTION OF RECIPROCITY SINCE PROPOSAL WAS FOR ACCESS TO 40 U. S. PORTS WHEREAS THERE WERE VIRTUALLY ONLY 3 POLISH PORTS. OLECHOWSKI UNDERSCORED INTEREST OF POLISH MERCHANT MARINE IN GAINING IMPROVED ACCESS TO U. S. PORTS AS A PRACTICAL COMMERCIAL MATTER. HE SUGGESTED, IF IT APPEARED IN WASHINGTON THAT CLARIFICATION OF OTHER ASPECTS OF THE PROPOSED MARITIME AGREEMENT REQUIRED STILL FURTHER TIME, THAT A SPECIAL WORKING GROUP BE ESTABLISHED WITHOUT FURTHER DELAY TO DISCUSS ONLY THE QUESTION OF PORT ACCESS. HE INDICATED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 WARSAW 01283 01 OF 02 201139 Z

THAT THE WORKING GROUP COULD ESTABLISH WHICH 40 U. S.

PORTS WOULD BE ACCESSIBLE ON FOUR DAYS NOTICE, BASED, THEY WOULD HOPE, ON WHICH PORTS WERE MOST USED BY POLISH MERCHANT SHIPS. NORFOLK, WHICH OLECHOWSKI SAID HE UNDERSTOOD PRESENTED PROBLEMS, COULD OF COURSE BE ELIMINATED FROM CONSIDERATION. ONCE WORKING GROUP HAD REACHED AGREEMENT ON THIS MATTER, THEN BOTH SIDES COULD GO ON TO CONSIDER OTHER ASPECTS OF A MARITIME AGREEMENT. OLECHOWSKI SAID POLISH SHIPPING EXPERTS WERE READY TO GO PROMPTLY TO WASHINGTON TO BEGIN TALKS. HE REQUESTED, THEREFORE, ON A PERSONAL BASIS, THAT HIS PROPOSAL TO CONVENE A SPECIAL WORKING GROUP ON PORT ACCESS BE GIVEN PROMPT AND FAVORABLE CONSIDERATION. IN RESPONSE, LAZARUS AGREED TO TRANSMIT THE MINISTER'S PROPOSAL TO WASHINGTON, AND ALSO NOTED THAT A DRAFT MARITIME AGREEMENT HAD BEEN CIRCULATING FOR CONSIDERATION IN WASHINGTON FOR SOME TIME.

4. LONG- TERM AGRICULTURAL AGREEMENT. OLECHOWSKI NOTED BRIEFLY THAT ANOTHER ITEM OF UNFINISHED BUSINESS LEFT OVER FROM NOVEMBER WAS U. S. PROPOSAL FOR LONG- TERM AGRICULTURAL AGREEMENT. IF THE U. S. SIDE WANTED TO PURSUE THIS, THE GOP WAS READY.

5. LONG- TERM INDUSTRIAL COOPERATION AGREEMENT. MINISTER SAID HE ALSO WISHED TO REMIND THE U. S. SIDE THAT ANOTHER PENDING MATTER WAS THE GOP PROPOSAL FOR A TEN- YEAR BILATERAL ECONOMIC, INDUSTRIAL AND TECHNOLOGICAL COOPERATION AGREEMENT. HE NOTED THAT POLAND RECENTLY HAD CONCLUDED SUCH AGREEMENTS WITH NUMBER OF WESTERN COUNTRIES, LATEST OF WHICH WOULD BE WITH UNITED KINGDOM, WHICH HE WOULD SIGN IN LONDON ON MARCH 20. CONCLUSION OF SUCH AN AGREEMENT WAS NOT REQUIRED IN ORDER FOR U. S.- POLISH ECONOMIC RELATIONS TO DEVELOP FURTHER, OLECHOWSKI SAID, BUT FROM THE STANDPOINT OF GOP IT WOULD BE BENEFICIAL TO DO SO. FOR EXAMPLE, IT WOULD PROVIDE A " GREEN LIGHT" FOR POLISH ENTERPRISES IN DEALINGS WITH U. S. FIRMS. IF THE U. S. WOULD BE INTERESTED IN CONCLUDING AN AGREEMENT OF THIS SORT, MINISTER SUGGESTED, IT MIGHT BE ITEM WHICH COULD BE SIGNED DURING THE ANTICIPATED VISIT TO THE U. S. SOME- TIME LATER THIS YEAR BY FIRST SECRETARY GIEREK. IN RESPONSE, LAZARUS SAID THAT ATTENTION OF COMMERCE AND LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 WARSAW 01283 01 OF 02 201139 Z

STATE DEPARTMENTS HAD BEEN FOCUSED ON MATTER OF BUSINESS FACILITIES, BUT THAT THEY WOULD TURN NEXT TO CONSIDERATION OF THIS ITEM.
DAVIES

LIMITED OFFICIAL USE

ADP000

LIMITED OFFICIAL USE

PAGE 01 WARSAW 01283 02 OF 02 201159 Z

11

ACTION EUR-25

INFO OCT-01 ADP-00 CIAE-00 DODE-00 PM-09 H-02 INR-09 L-03

NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SS-14 USIA-12 T-03

COME-00 AGR-20 EB-11 TRSE-00 OMB-01 XMB-07 VO-03

SCA-01 COA-02 FMC-04 CG-00 AID-20 RSR-01 /163 W

----- 098914

R 201059 Z MAR 73

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC 3096

INFO AMEMBASSY VIENNA

LIMITED OFFICIAL USE SECTION 2 OF 2 WARSAW 1283

E. O. 11652: N/A

TAGS: ETRD, EGEN, PL, BCOM, ETRN

SUBJECT: MEETING WITH MINISTER OF FOREIGN TRADE

REF: WARSAW 076 2

PASS TO COMMERCE AND USDA

6. INVITATION TO SECRETARY DENT . MINISTER NOTED THAT THEY UNDERSTOOD FROM THEIR EMBASSY IN WASHINGTON THAT SECRETARY DENT PLANNING TO BE IN EUROPE IN MAY- JUNE PERIOD, AND SAID GOP WOULD LIKE TO INVITE SECRETARY TO VISIT POLAND AS WELL. IF HE COULD ACCEPT, QUESTION WOULD NEED TO BE SETTLED WHETHER VISIT WOULD BE " PERSONAL" OR FOR PURPOSE OF CONVENING THIRD SESSION OF AMERICAN- POLISH TRADE COMMISSION. OLECHOWSKI SAID HIS VIEW WAS THAT SESSION SHOULD BE HELD ONLY IF THERE WERE QUESTIONS TO DISCUSS. IF THE MARITIME AND AGRICULTURAL ISSUES SHOULD, FOR EXAMPLE, HAVE ALREADY BEEN DISPOSED OF BEFORE JUNE, THERE MIGHT NOT SEEM TO BE A NEED FOR ANOTHER FORMAL SESSION AT THAT TIME. MINISTER SAID THAT, EITHER WAY, THEY WOULD WARMLY WELCOME VISIT BY SECRETARY DENT. LAZARUS REPLIED THAT SECRETARY DENT WAS MAKING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 WARSAW 01283 02 OF 02 201159 Z

TENTATIVE PLANS TO BE IN EUROPE DURING PERIOD 23-31 MAY. TRIP WOULD INCLUDE OFFICIAL UFUNCTIONS IN CONNECTION WITH PARIS AIR SHOW AND AUTOSERVIS EXHIBITION IN MOSCOW. DURING RECENT CALL, AMBASSADOR TRAMPCZYNSKI HAD EXTENDED INVITATION TO SECRETARY DENT TO VISIT WARSAW DURING THIS PERIOD AND SECRETARY HAD RESPONDED POSITIVELY ON BASIS THAT HE WOULD COME IF SCHEDULE WOULD PERMIT. QUESTION OF INFORMAL VERSUS JOINT COMMISSION MEETING COULD BE DETERMINED AT LATER DATE.

7. U. S. - POLISH TRADE. OLECHOWSKI SAID HE HAD BEEN SOMEWHAT DISAPPOINTED IN REVIEWING CONTRACTS CONCLUDED FOR FIRST TWO MONTHS OF 1973 TO SEE THAT ONLY ABOUT \$50 MILLION IN INDUSTRIAL GOODS HAD BEEN ORDERED FROM THE U. S. RATHER THAN PREDICTED \$100 MILLION. HE HOPED THAT MINISTER LEJCZAK'S VISIT TO U. S. WOULD RESULT IN SUBSTANTIAL INCREASE IN PURCHASE OF U. S. MACHINERY AND EQUIPMENT. MORE WORRISOME, HE SAID, WAS WHETHER INCREASED RATE OF POLISH EXPORTS TO U. S. (17 PERCENT IN 1972) COULD BE MAINTAINED. GOLBALLY, POLAND PLANNED TO INCREASE EXPORTS BY 18 PERCENT THIS YEAR, WHEREAS IMPORTS WERE TO RISE BY 21-22 PERCENT, 30-40 PERCENT OF WHICH WOULD COME FROM THE WEST. MINISTER REITERATED INTEREST OF GOP IN CONCLUDING INDUSTRIAL COOPERATION CONTRACTS WITH U. S. COMPANIES, AND ALSO NOTED ALAN SCOTT DEAL FOR SAUSAGE PLANTS AS FIRST RECENT LARGE INDUSTRIAL IMPORT CONTRACT.

AMBASSADOR SAID THAT, AS HE HAD INDICATED TO THE MINISTER IN AN EARLIER MEETING, WE TOO WERE INTERESTED IN DEVELOPING LONG - TERM TIES BETWEEN U. S. AND POLISH INDUSTRY, AND IN INCREASING EXPORTS OF MACHINERY AND EQUIPMENT. WE WERE SORRY TO HAVE LEARNED RECENTLY THAT TWO U. S. COMPANIES (BORDEN AND EPSTEIN INTERNATIONAL), BIDDING AS PARTNERS, HAD LOST LARGE CONTRACT FOR CONSTRUCTION OF POWDERED MILK PLANTS. EPSTEIN, AMBASSADOR NOTED, ALSO WAS STILL ACTIVELY BIDDING ON CONTRACT FOR TWO LARGE MEAT PLANTS. ANOTHER EXAMPLE WAS INTERNATIONAL HARVESTER WHICH ALREADY HAD SIGNED ONE IMPORTANT CONTRACT HERE AND NOW WAS ACTIVELY SEEKING A SECOND, IN THIS INSTANCE WITH THE URSUS TRACTOR WORKS. AMBASSADOR SAID HE WISHED TO MAKE CLEAR THAT WE WERE NOT ASKING FOR ANY SPECIAL CONSIDERATION FOR U. S. BIDDERS. HOWEVER, WE DID FEEL THAT IT WAS VERY IMPORTANT THAT THE BIDS OF U. S.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 WARSAW 01283 02 OF 02 201159 Z

COMPANIES BE GIVEN A FULL AND OBJECTIVE HEARING, ON TECHNICAL AND FINANCIAL MERITS, VIS- A- VIS THEIR COMPETITORS. IF WORD BEGAN TO CIRCULATE AMONG U. S. COMPANIES, WHETHER BASED ON FACT OR NOT, THAT OTHER CONSIDERATIONS HAD BEEN INTRODUCED INTO THE DECISION- MAKING PROCESS, IT WOULD NOT HELP THE FURTHER DEVELOPMENT OF TRADE BETWEEN THE U. S. AND POLAND. EVEN IF U. S. COMPANIES LOST OUT IN THE BIDDING, HE SAID, IT WAS VITAL THAT THEY WOULD COME AWAY FEELING THEY HAD BEEN GIVEN " A FAIR SHAKE." LAZARUS SAID THIS FACTOR WAS VITALLY IMPORTANT AT THIS POINT IN U. S. - POLISH TRADE RELATIONSHIPS.

OLECHOWSKI INDICATED HE UNDERSTOOD THIS POINT; IT WOULD NOT BE WELL FOR U. S. COMPANIES TO LOSE CONTRACTS " FOR UNKNOWN REASONS". U. S. SIDE SHOULD ALSO REALIZE, HOWEVER, THAT NOT ALL BIG CONTRACTS WOULD BE AWARDED TO U. S. COMPANIES. POLAND, HE EXPLAINED, MUST KEEP ITS CONTACTS WITH THE COMMON MARKET AND CONTINUE FIGHTING FOR ACCESS FACILITIES THERE FOR ITS EXPORTS. THUS , MINISTER SAID, POLAND MUST CONTINUE DEALING WITH LARGE INDUSTRIES WITHIN THE COMMON MARKET WHICH COULD BE INFLUENTIAL IN THIS RESPECT IN DEALING WITH BRUSSELS. HOWEVER, THIS FACT BY NO MEANS EXCLUDED U. S. SUPPLIERS, OLECHOWSKI SAID. HE ALSO NOTED EXAMPLE OF ITALIAN FIRM ENI WHICH OFFERED MOST ATTRACTIVE DEAL FOR SALE OF REFINERY TO POLAND BY SIMULTANEOUSLY PROPOSING ARRANGEMENTS FOR PURCHASES OF OTHER POLISH CHEMICAL INDUSTRY PRODUCT. THE MORE U. S. COMPANIES BECAME FAMILIAR WITH THIS MARKET, AND ESTABLISHED THEIR OFFICES HERE, MINISTER CONCLUDED, THE MORE THEY WOULD KNOW HOW TO MAKE SIMILARLY ATTRACTIVE BUSINESS PROPOSALS.

DAVIES

LIMITED OFFICIAL USE

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts:
Control Number: n/a
Copy: SINGLE
Draft Date: 20 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: martinjw
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973WARSAW01283
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: WARSAW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730336/aaaaifu.tel
Line Count: 313
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 WARSAW 0762
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 27 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27-Aug-2001 by cunninfx>; APPROVED <22 FEB 2002 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 971222
Subject: MEETING WITH MINISTER OF FOREIGN TRADE
TAGS: ACOM, EGEN, ETRN, PL
To: EUR
SECSTATE WASHDC INFO VIENNA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005